

Michigan Energy Efficiency Contractor's Coalition

Response to Energy Efficiency Question

3. What are the total dollar amounts of investment and savings achieved to date, and what levels are expected to be achieved when the 2012 energy savings goals are reached for natural gas and electricity? Will the 2012 energy optimization standard continue to be achieved through 2015?

There is no question the 2012 energy optimization (EO) standard of 0.10% can continue through 2015 and even beyond. Evidence can be found in the savings targets being surpassed for all three years of Michigan's Energy Optimization Program. This was done while the infrastructure of the energy efficiency services industry was being constructed.

All indications for 2013 are that the maturing energy efficiency industry has been very effective at utilizing the utility rebate programs. As of mid-April, one investor owned utility (IOU) has significantly reduced its incentive and rebate levels to extend the life of its energy efficiency programs. The other IOU will be turning off its energy optimization program in June. Both IOU's publically cite high paced uptake of energy efficiency upgrades by rate-payers as the reason to reduce incentives or close their program.

As the energy efficiency service industry has grown with increased transformation of the market, the ability to reach the 0.10% standard is no problem. As the industry and market continues to grow, even higher levels of savings can be achieved.